

DCF Model Estimates

COMPANY	Previous 30 Days'		Annual Dividend Yield	Annual EPS Growth%	Quarterly EPS Growth%	Quarterly DCF COE Estimate
	Dividend FY2002	Average Stock Price				
	(1)	(2)				
AGL Resources	\$1.08	\$22.55	4.79%	9.21%	2.23%	14.54%
ATMOS Energy	\$1.18	\$21.59	5.46%	7.02%	1.71%	12.99%
Cascade Natural Gas	\$0.96	\$20.17	4.76%	4.50%	1.11%	9.56%
Laclede Group	\$1.34	\$23.69	5.66%	3.63%	0.89%	9.61%
NICOR	\$1.84	\$28.15	6.54%	5.62%	1.38%	12.69%
Northwest Natural Gas	\$1.26	\$28.44	4.43%	5.68%	1.39%	10.44%
Peoples Energy	\$2.08	\$33.38	6.23%	5.67%	1.39%	12.40%
Piedmont Natural Gas	\$1.60	\$35.47	4.51%	4.59%	1.13%	9.38%
<u>WGL Holdings</u>	\$1.27	\$24.07	<u>5.28%</u>	<u>4.03%</u>	<u>0.99%</u>	<u>9.62%</u>
AVERAGE			5.29%	5.55%	1.36%	11.25%
Median						10.44%

Notes:

- (1) Source: Value Line Investment Survey, Individual Company Reports, September 20, 2002
- (2) Source: Exhibit 7.7R, Schedule 2
- (3) Source: Exhibit 7.6, Schedule 1